

2024

**ASCENSION PARISH LIBRARY
DONALDSONVILLE, LOUISIANA**

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/15/11

**ASCENSION PARISH LIBRARY
TABLE OF CONTENTS
DECEMBER 31, 2010**

	PAGE
INDEPENDENT AUDITORS' REPORT	1-2
MANAGEMENT'S DISCUSSION & ANALYSIS	3-6
BASIC FINANCIAL STATEMENTS	7
Statement of Net Assets	8
Statement of Activities	9
Combined Balance Sheet – Governmental Funds	10
Statement of Revenues, Expenditures & Changes in Fund Balance – Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
NOTES TO FINANCIAL STATEMENTS	13-19
REQUIRED SUPPLEMENTARY INFORMATION	20
GENERAL FUND	21
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	22-24
CAPITAL PROJECTS FUND	25
Statement of Revenues, Expenditures, and Changes in in Fund Balance - Budget (GAAP Basis) and Actual	26
SUPPLEMENTARY FINANCIAL INFORMATION	27
Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i>	28-29
Schedule of Findings and Questioned Costs	30
Schedule of Prior Findings and Questioned Costs	31

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Board of Directors
Ascension Parish Library

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities of the Ascension Parish Library, a component unit of the Ascension Parish Council, as of and for the year ended December 31, 2010 which collectively comprise the Library's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Ascension Parish Library's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Ascension Parish Library, as of December 31, 2010 and the respective changes in the financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2011 on our consideration of the Library's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 6 and 20 through 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the Ascension Parish Library's basic financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Baxley & Associates, LLC

Plaquemine, Louisiana
March 8, 2011

ASCENSION PARISH LIBRARY
708 South Irma Blvd.
Gonzales, LA 70737
(An agency of the Ascension Parish Government)

Management Discussion and Analysis
As of and for the Year Ended December 31, 2010

General Information

The Ascension Parish Library is a public library established in 1960 for the purpose of making available to all citizens of the parish books and other library materials for education, information, and recreation – the library strives to maintain a program of service to locate information, guide reading, and promote the most effective use of library materials.

Management's discussion and analysis (MD&A) is a required element of the reporting model adopted by the Government Accounting Standard's Board (GASB) in their statement number 34. Its purpose is to provide an overview of the financial activities of the Ascension Parish Library based on currently known facts, decisions, or conditions.

GENERAL FUND

Financial Highlights

Ad valorem taxes reflect a 6.8 dedicated millage. This 6.8 mill total resulted in \$5,453,843 in ad valorem receipts collected in fiscal year 2010 and \$5,677,016 in ad valorem receipts collected in fiscal year 2009.

Total revenue reflected is \$5,930,061 for 2010 and \$6,158,318 for 2009. This revenue includes parish ad valorem taxes, state revenue sharing, interest, grant funds, charges for photocopies, gifts, and fines.

Library expenditures for 2010 total \$5,870,498 and for 2009 total \$5,406,968. The increase in expenditures from 2009 to 2010 is a result of anticipated increases in administrative and operating services, due to minimum wage adjustments, as well as costs related to a new facility open for service.

Revenue

The library's budget reflects actual revenues on hand as opposed to anticipated revenues. Therefore, each year's budget is based on cash flow instead of modified accrual. This provides for budgeting that reflects expenditures based only on actual funds available.

The library's revenue consists of a parish-wide property tax of 6.8 mills, state revenue sharing, state aid to public libraries, interest earnings, gifts, and miscellaneous fees and forfeitures.

Ascension Parish Library experienced a decrease in ad valorem taxes from the previous year. All other revenues experienced expected variance.

Expenditures

Expenditures include: library administration – personnel salaries and benefits; operating services – utilities, communications, maintenance of grounds, buildings, and equipment, insurance on facilities, grounds, and vehicles; materials and supplies – office, buildings, grounds, vehicle, and library supplies; travel – continuing education travel and expenses; capital outlay – acquisition of land, vehicles, machinery and equipment, major repairs, and library materials; intergovernmental expenditures – contributions to retirement systems and intergovernmental service charges.

Library Administration expenditure increases were a result of standard pay increases, an increase in the cost of employee benefits, and an increase in the number of library employees.

Operating Services, Travel, and Capital Outlay expenditures reflect a decrease in purchases due to less expenditures related to the addition of a forth facility to the system.

Materials and Supplies expenditure increases were a result of increased purchases in library building and grounds supplies due to the addition of a forth facility to the system.

Intergovernmental Service Charges for 2010 reflect anticipated expenses.

Overview of the Financial Statements

Ascension Parish Library -- operations & maintenance (general fund)		
Operating Revenues by Source	2010	2009
Ad valorem	5,453,843	5,677,016
State Revenue Sharing	365,142	358,300
State Aid to Public Libraries	13,656	21,620
Fees and charges for library services	22,205	18,557
Fines, forfeitures, and lost books	37,663	38,193
Use of money and property	33,019	43,497
Refunds	0	0
Contributions	1,394	556
Other revenues	3,139	579
TOTAL REVENUE	5,930,061	6,158,318
Operating Expenditures by Purpose	2010	2009
Library Administration	3,265,750	2,882,522
Operating Services	686,754	582,555
Travel	11,606	11,551
Capital Outlay	966,329	996,792
Materials and Supplies	105,517	93,608
Intergovernmental Service Charges	834,542	839,940
TOTAL OPERATING EXPENDITURES	5,870,498	5,406,968

Variations Between Original and Final Budgets

Variations between the original and final budgeted annual revenue in the Operating Revenues by Source reflect adjustments as follows:

- *State Aid to Public Libraries* reflects a decrease due to changes made by the state government in budget cuts.
- *Use of money and property* reflects a decrease in interest earnings due to a decrease in rates.

Variations between the original and final budgeted Operating Expenditures by Purpose reflect adjustments as follows:

- Changes in *Library Administration* reflect a decrease in Professional and Regular Salaries due to open positions.
- Changes in *Operating Services* reflect an increase in utilities due to higher gas costs and new facility expenses, as well as higher advertising, vehicle maintenance, and printing costs.
- Changes to *Capital Outlay* reflect an increase in automation, Office furniture, fixtures and equipment and books and videos due to the purchases for the new facility being added to the system.
- Changes to *Library Materials and Supplies* reflect an increase in library materials and automation supply costs.

Economic Factors and Next Year's Budget

The library's 2011 cash flow budget will have a decrease in revenues due to anticipated changes in tax funds. All other aspects of the budget should remain relatively the same.

CAPITAL PROJECTS FUND

Interest funds on the Capital Projects Account for 2010 were \$559 and for 2009 were \$10,597. These revenues are a result of interest earnings on the fund principal. Construction began on the Dutchtown site in July of 2008 and the Gonzales site in August of 2009.

Expenditures incurred in 2010 totaled \$5,143,053 and in 2009 totaled \$3,434,339 in various fees, surveys and construction. These expenditures reflect costs associated with both the Dutchtown and Gonzales sites.

Variations in the original and final revenue budget reflect a decrease in interest earnings.

Variations in the original and final expenditures budget reflect increases in furniture and equipment, and an increase in building construction costs.

Conclusion

The library has continued its programming and services to the public, as well as maintaining staff levels to accommodate the increase in services and library users, and expanded facilities. The library system now has 129 computers available for library users, as well as expanded book, periodical, audio, video, and multi-media collections. Library programming for the public continues to increase - including computer classes, storytimes, summer reading program

activities, arts presentations and workshops, business activities, author visits, lecture series, and many other special events.

The annual operations and maintenance budget enables the library to provide building and grounds maintenance, insurance requirements, staffing, services, resources, and materials to continue serving the needs of Ascension Parish's citizens.

The current capital projects fund has enabled the library to complete construction of the new facility in the Dutchtown area of the parish, as well as begin the expansion and renovation of the existing Gonzales facility. Long range plans include future evaluations and/or expansions of the Galvez and Donaldsonville facilities, and an examination of future needs based on population growth.

Contacting the Ascension Parish Library's Administration

This financial report is designed to provide a general overview of the Ascension Parish Library's finances for those with an interest in the library's financial position and operations. Questions about this report or requests for additional information may be sent to: Angelle Deshautelles, Library Director, Ascension Parish Library, 708 South Irma Blvd., Gonzales, LA 70737.

BASIC FINANCIAL STATEMENTS

**ASCENSION PARISH LIBRARY
STATEMENT OF NET ASSETS
DECEMBER 31, 2010**

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 4,840,289
Taxes receivable	5,775,752
Prepays	33,588
Other assets, net of accumulated amortization	98,965
Capital assets, net of accumulated depreciation	<u>13,811,837</u>
Total Assets	<u>\$ 24,560,431</u>
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable	\$ 60,395
Retainage payable	248,907
Contribution to retirement system	184,704
Long-term liabilities:	
Due within one year	188,444
Contract payable	<u>8,855,000</u>
Total Liabilities	<u>9,537,450</u>
Net Assets	
Investment in capital assets, net of related debt	13,811,837
Unrestricted	<u>1,211,144</u>
Net Assets	<u><u>\$ 15,022,981</u></u>

The accompanying notes are an integral part of this statement.

**ASCENSION PARISH LIBRARY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	Governmental Activities
EXPENDITURES/EXPENSES	
Library Services:	
Administration	\$ 3,283,391
Operating services	691,289
Travel	11,606
Library materials and supplies	105,517
Intergovernmental	634,542
Amortization	3,958
Depreciation	828,278
	<hr/>
TOTAL EXPENDITURES/EXPENSES	5,558,581
	<hr/>
PROGRAM REVENUES	
Fees, fines and other charges for services	59,868
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TOTAL PROGRAM REVENUES	59,868
	<hr/>
NET PROGRAM REVENUE	(5,498,713)
	<hr/>
GENERAL REVENUE AND TRANSFERS	
Property taxes	5,453,843
State revenue sharing	365,142
State grants	13,656
Investment earnings	33,578
Miscellaneous	4,533
Retirement of asset	(87,639)
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TOTAL GENERAL REVENUES AND TRANSFERS	5,783,113
	<hr/>
CHANGE IN NET ASSETS	284,400
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NET ASSETS	
Beginning of the year	14,738,581
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End of the year	\$ 15,022,981
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The accompanying notes are an integral part of this statement.

**ASCENSION PARISH LIBRARY
GOVERNMENTAL FUNDS
COMBINED BALANCE SHEET
DECEMBER 31, 2010**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and investments, at cost	\$ 4,520,413	\$ 319,876	\$ 4,840,289
Receivables (net of allowances for uncollectibles):			
Ad valorem taxes	5,532,324	-	5,532,324
State revenue sharing (net)	243,428	-	243,428
Prepays	33,588	-	33,588
Other assets	118,757	-	118,757
TOTAL ASSETS	<u><u>\$ 10,448,510</u></u>	<u><u>\$ 319,876</u></u>	<u><u>\$ 10,768,386</u></u>
LIABILITIES AND FUND EQUITY			
Liabilities			
Accounts payable	\$ 60,395	\$ -	\$ 60,395
Retainage payable	-	248,907	248,907
Contribution to retirement system	184,704	-	184,704
Total Liabilities	<u>245,099</u>	<u>248,907</u>	<u>494,006</u>
Fund Equity			
Unreserved - undesignated	10,203,411	-	10,203,411
Unreserved - designated for capital improvements	-	70,969	70,969
Total Fund Equity	<u>10,203,411</u>	<u>70,969</u>	<u>10,274,380</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$ 10,448,510</u></u>	<u><u>\$ 319,876</u></u>	
Amounts reported for governmental activities in the statement of net assets are different because			
Capital assets used in governmental activities are not financial resources and,			
therefore, are not reported in the funds.			13,811,837
Long-term liabilities, including bonds payable, are not due and payable in the current			
period, and therefore, are not reported in the funds.			(9,043,444)
Some expenses reported in the statement of activities do not require the use of			
current financial resources and, therefore, are not reported as expenditures in			
governmental funds.			(19,792)
Net assets of governmental activities			<u><u>\$ 15,022,981</u></u>

The accompanying notes are an integral part of this statement.

**ASCENSION PARISH LIBRARY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010**

	General Fund	Capital Projects Fund	Total Governmental Funds
REVENUES			
Taxes--ad valorem	\$ 5,453,843	\$ -	\$ 5,453,843
Intergovernmental revenues:			
State revenue sharing	365,142	-	365,142
State-aid libraries	13,656	-	13,656
Fees and charges for library services	22,205	-	22,205
Fines and forfeitures (library)	37,663	-	37,663
Use of money and property	33,019	559	33,578
Contributions	1,394	-	1,394
Other revenues	3,139	-	3,139
TOTAL REVENUES	5,930,061	559	5,930,620
EXPENDITURES			
Culture and recreation--Libraries:			
Library administration	3,265,750	-	3,265,750
Operating services	686,754	-	686,754
Travel	11,606	-	11,606
Capital outlay	966,329	5,143,053	6,109,382
Library materials and supplies	105,517	-	105,517
Intergovernmental	834,542	-	834,542
TOTAL EXPENDITURES	5,870,498	5,143,053	11,013,551
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	59,563	(5,142,494)	(5,082,931)
FUND BALANCE, Beginning	10,143,848	5,213,463	15,357,311
FUND BALANCE, Ending	\$ 10,203,411	\$ 70,969	\$ 10,274,380

The accompanying notes are an integral part of this statement.

**ASCENSION PARISH LIBRARY
RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010**

**Amounts reported for governmental activities are
different because:**

Net Change in fund balances - total governmental funds (page 11)	\$	(5,082,931)
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Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		5,276,569
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The liability and expense for compensated absences are not reported in governmental funds. Payments for compensated absences are reported as salaries when they occur. Only the payment consumes current financial resources, and it would take a catastrophic event for this liability to become a current liability.		(17,641)
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Retirement of assets		(87,639)
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Governmental funds report payments on a contract as expenditures. However, in the statement of activities, the principal portion is allocated to the statement of net assets and shown as a reduction in the contract payable.		200,000
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Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of these related items.		(3,958)
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Change in net assets of governmental activities (page 9)	\$	<u>284,400</u>
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The accompanying notes are an integral part of this statement.

**ASCENSION PARISH LIBRARY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Ascension Parish Library was established by the parish governing authority, under the provisions of Louisiana Revised Statute 25:211. The library provides citizens of the parish access to library materials, books, magazines, records and films. The library is governed by a board of control which is appointed by the parish council in accordance with the provisions of Louisiana Revised Statute 25:214. The members of the board of control serve without pay.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification is recognized as generally accepted accounting principles for state and local governments.

In conformance with GASB Codification Section 2100, the parish library is a component unit of the Ascension Parish Council, the governing body of the parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the parish library and do not present information on the Parish Council, and the general government services provided by that governmental unit, and other governmental units that comprise the governmental reporting entity.

A. Governmental-Wide Accounting

In accordance with the Government Accounting Standards Board Statement No. 34, the Library has presented a Statement of Net Assets and Statement of Activities for the Library as a whole. These statements include only the component units. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Government-wide statements distinguish between governmental-type and business-type activities. Governmental activities are those financed through taxes, intergovernmental revenues and other non-exchange revenues and are usually reported in governmental and internal service funds. Business activities are financed in whole or in part through fees charged for goods or services to the general public and are usually reported in proprietary funds.

Policies specific to the government-wide statements are as follows:

Eliminating Internal Activity

Interfund receivables and payables are eliminated in the Statement of Net Assets except for the net residual amounts due between governmental and business-type activities. These are presented as internal balances. The allocation of overhead expenses from one function to another or within the same function is eliminated in the Statement of Activities. Allocated expenses are reported by the function to which they were allocated.

ASCENSION PARISH LIBRARY NOTES TO FINANCIAL STATEMENTS

Application of FASB Statements and Interpretations

Reporting on governmental-type and business-type activities is based on FASB Statements and Interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

Capitalizing Assets

Tangible and/or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Infrastructure assets such as roads and bridges are also capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the Statement of Net Assets.

Program Revenues

The Statement of Activities presents two categories of program revenues – 1) charges for services; and 2) operating grants and contributions. Charges for services are those revenues arising from charges to customers who purchase, use or directly benefit from goods and services provided by the District. Grants and contributions, whether operating or capital in nature, are revenues arising from receipts that are restricted for a specific use.

Indirect Expenses

Expenses are reported according to function except for those that meet the definition of special or extraordinary items. Direct expenses are specifically associated with a service or program. Indirect expenses include general government or administration that cannot be specifically traced to a service or program. Governments are not required to allocate indirect expenses to other functions, and the District has chosen not to do so.

Operating Revenues

Proprietary funds separately report operating and non-operating revenues. The Library does not have any proprietary funds.

Restricted Net Assets

Restricted net assets are those for which a constraint has been imposed either externally or by law. The Library does not have any restricted net assets.

B. Fund Accounting

The accounts of the library are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

General Fund

The General Fund is the general operating fund of the library. It is used to account for all financial resources except those required to be accounted for in other funds.

ASCENSION PARISH LIBRARY NOTES TO FINANCIAL STATEMENTS

Capital Projects Fund

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by Proprietary and Trust Funds.

C. Basis of Accounting/ Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by the type of financial statement presentation.

The government-wide statements are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of governmental-type and business-type activities are included in the Statement of Net Assets. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the Statement of Activities. In these statements, capital assets are reported and depreciated in each fund.

This same measurement focus and basis of accounting is used by proprietary funds in the fund statements. However, all governmental funds are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases and decreases in net current assets. Expenditures for capital assets are reported as current expenses, and such assets are not depreciated. The Library does not have any business-type activities.

D. Budgetary Practices

Annually the Ascension Parish Library adopts a budget on the modified accrual basis of accounting for the General Fund. The budgetary practices include public notice of the proposed budgets, public inspection of the proposed budgets, and public hearings on the budgets. All budgetary appropriations lapse at the end of the fiscal year. The level at which expenditures may not legally exceed appropriations is 5% of budgeted expenditures.

E. Cash and Cash Equivalents

The Library considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

F. Investments

Investments are stated at cost or amortized cost, which approximates market. These investments are time deposits and treasury bills which are fully secured through the pledge of bank-owned securities, federal deposit insurance, or by the federal government.

ASCENSION PARISH LIBRARY NOTES TO FINANCIAL STATEMENTS

G. Compensated Absences

Full-time employees of the library earn vacation leave after one year of service at varying rates depending on type of position. Vacation leave can be accumulated up to one and one-half of the amount earned in one year. Employees who resign are paid for unused vacation leave, provided adequate notice of resignation is given. Sick leave is granted full-time employees at the rate of twelve days each year. Sick leave can be accumulated up to thirty-six days. Upon termination of employment, unused sick leave lapses.

The following reflects changes in accumulated sick and annual leave:

Balance at 12-31-09	\$ 170,803
Increase in leave	<u>17,641</u>
Balance at 12-31-10	<u><u>188,444</u></u>

H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles required management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

I. Capital Assets

The Library's assets are recorded at historical cost. Capital assets are defined as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and estimated useful lives in excess of 1 year. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

Buildings	40 years
Equipment	4-10 years
Office furniture	5-7 years
Vehicles	5 years
Infrastructure	40-50 years

In June of 1999, the Governmental Accounting Standards Board issued Statement No. 34 that requires the inclusion of infrastructure assets used in governmental activities in the general purpose financial statements retroactively reported back to 1982. All assets of the Library are reported in the accompanying financial statements.

J. Net Assets/Fund Balances

In the Statement of Net Assets, the difference between a government's assets and liabilities is recorded as net assets. The three components of net assets are as follows:

Invested in Capital Assets, Net of Related Debt

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowing attributable to the acquisition, construction or improvement of capital assets.

**ASCENSION PARISH LIBRARY
NOTES TO FINANCIAL STATEMENTS**

Restricted Net Assets

Net assets that are restricted by external sources, such as banks or by law, are reported separately as restricted net assets. When assets are required to be retained in perpetuity, these non-expendable net assets are recorded separately from expendable net assets. These are components of restricted net assets.

Unrestricted Net Assets

This category represents net assets not appropriable for expenditures or legally segregated for a specific future use.

In the Balance Sheet of governmental funds, fund balances are segregated as follows:

Reserved

These resources are segregated because their use is earmarked for a specific use.

Unreserved

This category represents that portion of equity not appropriable for expenditures or legally segregated for a specific future use.

NOTE 2: CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2010 is as follows:

	Balance December 31, 2009	Reclass/ Additions	Reclass/ Deletions	Balance December 31, 2010
Governmental Activities				
Construction in progress	\$ 4,694,923	\$ 5,143,052	\$ 4,072,325	\$ 5,765,650
Land	884,006	-	-	884,006
Buildings and improvements	3,846,779	3,857,906	-	7,704,685
Equipment & furniture	169,249	605,080	87,639	686,690
Vehicles	53,695	-	-	53,695
Library collection	2,727,410	571,136	505,273	2,793,273
Total at Historical Cost	12,376,062	10,177,174	4,665,237	17,887,999
Less Accumulated Depreciation for:				
Buildings and improvements	2,129,441	142,063	-	2,271,504
Equipment & furniture	62,756	125,548	-	188,304
Vehicles	35,587	2,012	-	37,599
Library collection	1,525,373	558,655	505,273	1,578,755
Total Accumulated Depreciation	3,753,157	828,278	505,273	4,076,162
Governmental Activities Capital Assets, December 31, 2010	\$ 8,622,905	\$ 9,348,896	\$ 4,159,964	\$ 13,811,837

**ASCENSION PARISH LIBRARY
NOTES TO FINANCIAL STATEMENTS**

NOTE 3: LEVIED TAXES

The following is a summary of levied ad valorem taxes:

	December 31, 2010
Levied Millage (Parishwide Maintenance Tax)	<u>6.8</u>

NOTE 4: CASH AND INVESTMENTS

The Ascension Parish Library deposits at year end were covered by federal depository insurance, collateral held by the library's custodial bank in the library's name, or by the backing of the U.S. federal government. The library's balance per bank (unreconciled) at December 31, 2010 was \$5,105,712. The total market value of securities pledged at the bank at December 31, 2010 was \$7,547,062. Included in the library's bank balances at December 31, 2010 is a Bank of New York account with a balance of \$319,876. This account is a general investment fund contract and does not have securities pledged as collateral nor is collateral required on this account. The library does not own these funds, and the account is considered a trust estate account.

	Bank Balance 12/31/2010	FDIC Insurance	Balances Uninsured
Cash (less Bank of New York balance \$319,876)	\$ 4,785,836	\$ 354,494	\$ 4,431,342
Securities pledged and held by bank in Library's name			<u>7,547,062</u>
Excess FDIC insurance and pledged securities over cash balances			<u>\$ 3,115,720</u>

NOTE 5: CONTRACT PAYABLE

On March 1, 2005, the Parish of Ascension, State of Louisiana, Ascension Parish Library board, and the Louisiana Local Government Environmental Facilities and Community Development Authority entered into a Trust Indenture and Loan Agreement for library bonds Series 2005 in the amount of \$9,595,000. The source and use of the funds are as follows:

<u>Sources of Funds</u>	
Par Amount of Bonds	\$ 9,595,000
Reoffering Premium	384,717
Total Sources	<u>9,979,717</u>
<u>Uses of Funds</u>	
Deposit to Project Construction Fund	9,000,000
Deposit to Capitalized Interest (CIF) Fund	476,242
Costs of Issuance	179,015
Total Underwriter's Discount (1.65%)	158,317
Gross Bond Insurance Premium (38.5 bp)	73,232
Underwriter's Counsel	48,000
Rating	10,000
Rounding Amount	19,911
Surety Bond	15,000
Total Uses	<u>\$ 9,979,717</u>

**ASCENSION PARISH LIBRARY
NOTES TO FINANCIAL STATEMENTS**

NOTE 5: CONTRACT PAYABLE, Continued

Of the \$9,595,000 library bonds, \$9,000,000 was deposited in a Project Construction fund at the Ascension Parish Library. These funds are restricted for the construction of a new library and the expansion of an existing library facility. They also recognize interest earnings from the investment. The Library is responsible for recording interest income and expenditures in relation to the construction project. These transactions are recorded in the capital projects fund. The local services agreement establishes a contractual agreement in which the Ascension Parish Library obligates to make principal and interest payments to the trustee, on behalf of the Ascension Parish Council, from operations and maintenance revenue funds. The contract payable is reflected on the Statement of Net Assets in the amount of \$8,855,000.

NOTE 6: RECENT ACCOUNTING PRONOUNCEMENTS

The GASB had issued Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefit Plans Other Than Pensions*. The Ascension Parish Library does not pay life insurance, health benefits, or other benefits after an employee retires. Therefore, the other post employment benefit disclosure and actuary's report are not necessary.

NOTE 7: SUBSEQUENT EVENTS

These financial statements considered subsequent events through March 8, 2011, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

**ASCENSION PARISH LIBRARY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2010**

December 31, 2010				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Ad valorem taxes	\$ 5,616,578	\$ 5,616,578	\$ 5,453,843	\$ (162,735)
State revenue sharing	375,000	375,000	365,142	(9,858)
State-aid libraries	21,600	13,656	13,656	-
Fees and charges for library services	15,000	15,000	22,205	7,205
Fines, forfeitures, and lost books	34,000	34,000	37,663	3,663
Use of money and property	45,000	30,000	33,019	3,019
Contributions	-	-	1,394	1,394
Other revenues	-	-	3,139	3,139
TOTAL REVENUES	6,107,178	6,084,234	5,930,061	(154,173)
EXPENDITURES				
Library Administration				
Director's salary	-	-	-	-
Professional salaries	795,000	715,000	608,168	106,832
Regular salaries and wages	1,950,000	1,850,000	1,828,134	21,866
Student salaries	53,000	53,000	30,894	22,106
Temporary salaries	25,000	25,000	21,191	3,809
Pages salaries	-	-	-	-
FICA or supplemental retirement	210,000	210,000	179,934	30,066
Retirement contributions	274,500	274,500	211,506	62,994
Life/Health insurance	425,000	425,000	382,278	42,722
Workman's Compensation and Unemployment	8,500	8,500	3,645	4,855
	3,741,000	3,561,000	3,265,750	295,250
Operating Services				
Membership dues	3,100	3,100	2,743	357
Printing stationery and forms	1,800	3,000	3,281	(281)
Book printing and binding	2,500	2,500	677	1,823
Utilities	189,000	194,000	152,232	41,768
Postage and box rent	16,000	16,000	11,048	4,952
Telephone	9,000	9,000	8,651	349
Other--(ill/lending charges)	500	500	211	289
Other--grounds	45,000	45,000	30,235	14,765
Equipment rental	800	800	-	800
Book rental	36,000	36,000	29,928	6,072
Telecommunications cost	55,000	55,000	10,966	44,034
Grounds maintenance	9,000	9,000	15,010	(6,010)
Advertising	1,100	2,100	2,567	(467)
Buildings maintenance	28,000	28,000	22,949	5,051

(continued)

ASCENSION PARISH LIBRARY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2010

	December 31, 2010			Variance
	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Operating Services (continued)				
Autos and trucks maintenance	4,000	6,000	1,019	4,981
Plumbing and heating maintenance	35,000	35,000	35,784	(784)
Pest control	3,800	3,800	2,976	824
Laundry and sanitation	5,000	5,000	3,174	1,826
Janitorial	50,000	60,000	59,876	124
Maintenance furniture and equipment	87,500	87,500	94,411	(6,911)
Miscellaneous	-	-	-	-
Accounting and auditing fees	6,000	9,000	5,240	3,760
Subscription charge	90,000	90,000	91,840	(1,840)
Miscellaneous professional service	56,800	56,800	46,454	10,346
Fire and casualty insurance	45,000	45,000	39,377	5,623
Fidelity bonds	800	800	323	477
Auto insurance	5,000	5,000	4,118	882
Employee liability insurance	8,200	8,200	9,510	(1,310)
Miscellaneous insurance	3,400	3,400	2,154	1,246
	<u>797,300</u>	<u>819,500</u>	<u>686,754</u>	<u>132,746</u>
 Travel	 <u>19,000</u>	 <u>19,000</u>	 <u>11,606</u>	 <u>7,394</u>
 Capital Outlay				
Cars/Trucks, etc.	5,000	5,000	-	5,000
Education/Cultural/Recreation equipment	10,000	10,000	-	10,000
Buildings/Grounds/General equipment	4,000	4,000	2,437	1,563
Office furniture, fixtures and equipment	7,000	8,000	5,782	2,218
Automated and online	200,000	300,000	274,467	25,533
Books	400,000	450,000	460,704	(10,704)
Periodicals	37,000	37,000	33,660	3,340
Audio and video recordings and film	70,750	75,750	74,051	1,699
Audio visuals and communications	1,500	4,500	1,605	2,895
Major repairs	50,000	50,000	4,311	45,689
Miscellaneous	2,000	2,000	1,337	663
Architect's fees	250,000	250,000	-	250,000
Surveyor's fees	22,000	22,000	-	22,000
Furniture and other costs	195,000	195,000	84,741	110,259
Building cost	25,000	-	-	-
Landscaping	45,000	45,000	23,234	21,766
	<u>1,324,250</u>	<u>1,458,250</u>	<u>966,329</u>	<u>491,921</u>

(continued)

ASCENSION PARISH LIBRARY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2010

	December 31, 2010			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Library Materials and Supplies				
Library	28,000	38,000	28,551	9,449
Office supplies	20,000	20,000	15,794	4,206
Other	6,375	18,125	11,988	6,137
Building and grounds supplies	20,000	20,000	20,615	(615)
Vehicle supplies	5,000	5,000	6,133	(1,133)
Library promotions	34,000	34,000	22,436	11,564
	<u>113,375</u>	<u>135,125</u>	<u>105,517</u>	<u>29,608</u>
Intergovernmental				
Contributions to retirement system	205,000	205,000	184,704	20,296
Intergovernmental service charge	15,000	15,000	-	15,000
Miscellaneous - local svc agreement	695,000	695,000	649,838	45,162
	<u>915,000</u>	<u>915,000</u>	<u>834,542</u>	<u>80,458</u>
TOTAL EXPENDITURES	<u>6,909,925</u>	<u>6,907,875</u>	<u>5,870,498</u>	<u>1,037,377</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(802,747)</u>	<u>(823,641)</u>	<u>59,563</u>	<u>883,206</u>
FUND BALANCE, Beginning	<u>6,523,292</u>	<u>4,514,300</u>	<u>10,143,848</u>	<u>5,629,548</u>
FUND BALANCE, Ending	<u>\$ 5,720,545</u>	<u>\$ 3,690,659</u>	<u>\$ 10,203,411</u>	<u>\$ 6,512,754</u>

CAPITAL PROJECTS FUND

ASCENSION PARISH LIBRARY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Use of money and property	\$ 12,000	\$ 500	\$ 559	\$ 59
TOTAL REVENUES	<u>12,000</u>	<u>500</u>	<u>559</u>	<u>59</u>
EXPENDITURES				
Architect fees	95,000	95,000	137,779	(42,779)
Surveyors fees	32,000	32,000	32,167	(167)
Landscaping	35,000	35,000	-	35,000
Furniture and equipment	-	300,000	356,654	(56,654)
Building Construction	5,350,000	5,038,500	4,616,453	422,047
TOTAL EXPENDITURES	<u>5,512,000</u>	<u>5,500,500</u>	<u>5,143,053</u>	<u>357,447</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,500,000)	(5,500,000)	(5,142,494)	357,506
FUND BALANCES - BEGINNING	<u>(26,969,435)</u>	<u>4,171,831</u>	<u>5,213,463</u>	<u>1,041,632</u>
FUND BALANCES - ENDING	<u><u>\$ (32,469,435)</u></u>	<u><u>\$ (1,328,169)</u></u>	<u><u>\$ 70,969</u></u>	<u><u>\$ 1,399,138</u></u>

SUPPLEMENTARY FINANCIAL INFORMATION

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Board of Directors
Ascension Parish Library

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

We have audited the financial statements of the governmental activities of Ascension Parish Library, as of and for the year ended December 31, 2010, which collectively comprise the Ascension Parish Library's basic financial statements and have issued our report thereon dated March 8, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ascension Parish Library's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Ascension Parish Library's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Ascension Parish Library's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of management, the Legislative Auditors, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Baxley & Associates, LLC

Plaquemine, Louisiana
March 8, 2011

**ASCENSION PARISH LIBRARY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Ascension Parish Library.
2. There are no significant deficiencies relating to the audit of the financial statements reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards.
3. No instances of noncompliance material to the financial statements of the Ascension Parish Library were disclosed during the audit.

**ASCENSION PARISH LIBRARY
SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

There were no prior year audit findings or questioned costs.